

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:
Stoy Post Office
Stoy, Illinois

Docket No. A2011-43

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(October 4, 2011)

On August 10, 2011, the Postal Regulatory Commission (Commission) received an appeal letter from Lisa L. McKinley (Petitioner) objecting to the discontinuance of the Post Office at Stoy, Illinois. The letter was postmarked August 1, 2011. On August 11, 2011, the Commission issued Order No. 799, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 799, the administrative record was filed with the Commission on August 25, 2011. On September 14, 2011, the Petitioner filed a participant statement.¹

The appeal received by the Commission on August 10, 2011, and subsequent comments, raises three main issues: (1) the effect on postal services, (2) the impact upon the Stoy community, and (3) the economic savings expected to result from discontinuing the Stoy Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,² the Postal Service gave consideration to a number of other issues, including the impact

¹ Participant Statement, September 14, 2011.

² See 39 U.S.C. 404(d)(2)(A).

upon postal employees. Accordingly, the determination to discontinue the Stoy Post Office should be affirmed.

Background

The Final Determination To Close the Stoy, IL Post Office and Extend Service by Rural Route Service (FD), as well as the administrative record, indicate that the Stoy Post Office provides EAS-53 level service to 52 Post Office Box customers, and no other delivery customers. FD at 1; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 1.³ The postmaster of the Stoy Post Office was reassigned on October 29, 1993. An employee from a neighboring office was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the temporary OIC will be reassigned or separated.⁴ The average number of daily retail window transactions at the Stoy Post Office is eight. Revenue has been minimal: \$11,608.00 in FY 2008 (30 revenue units); \$7,461.00 in FY 2009 (19 revenue units); and \$6,533.00 in FY 2010 (17 revenue units).⁵ The Stoy Post Office has no meter or permit customers. FD at 1; Item No. 18, Fact Sheet, at 1; Item No. 33, Proposal, at 2.

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Robinson Post Office, an EAS-20 level office located six miles away, which has 205 available Post Office Boxes. FD

³ In these comments, specific items in the administrative record are referred to as "Item ____."

⁴ FD, at 6; Item No. 33, Proposal to Close the Stoy, IL Post Office and Extend Service by Rural Route Service ("Proposal"), at 6.

⁵ FD, at 1; Item No. 18, Fact Sheet, at 1; Item No. 33, Proposal, at 2.

at 1; Item No. 18, Fact Sheet, at 1; Item No. 33, Proposal, at 2. This service will continue upon implementation of the FD. FD at 1.

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Stoy Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to delivery customers of the Stoy Post Office. Questionnaires were also available over the counter for retail customers at the Stoy Post Office. FD at 1; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Stoy Post Office, at 1. A letter from the Manager of Post Office Operations (St. Louis, MO) was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Stoy Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Robinson Post Office. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item No. 21, Letter to Customer, at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at the Stoy Post Office for a community meeting on March 24, 2011, to answer questions and provide information to customers. FD at 1; Item No. 21, Letter to Customer, at 1; Item No. 24,

Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 33, Proposal, at 1, 7-8. Customers received formal notice of the Proposal and FD through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Stoy Post Office, the Oblong Post Office, and the Robinson Post Office from April 8, 2011 to June 9, 2011. FD, at 1; Item No. 33, Proposal, at 1. The FD was posted at the Stoy Post Office starting on July 8, 2011, until August 9, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record.

In light of the postmaster vacancy, a minimal workload, declining office revenue,⁶ the variety of delivery and retail options (including the convenience of rural delivery and retail service),⁷ very little recent growth in the area,⁸ minimal impact upon the community, and the expected financial savings,⁹ the Postal Service issued the FD.¹⁰ Regular and effective postal services will continue to be provided to the Stoy community in a cost-effective manner upon implementation of the final determination. FD at 1.

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Stoy Post Office on postal services provided to Stoy customers. The closing is premised upon providing regular and effective postal services to Stoy customers.

⁶ See note 7 and accompanying text,

⁷ FD, at 1-4; Item No. 33, Proposal, at 2-6.

⁸ FD, at 1; Item No. 16, Community Survey Sheet; Item No. 33, Proposal, at 2.

⁹ FD, at 6-7; Item No. 17, Cost Analysis; Item No. 18, Fact Sheet, at 1; Item No. 33, Proposal, at 6, 8.

¹⁰ FD, at 8.

The Petitioner's letter of appeal and participant statement raise the issue of the effect on postal services of the Stoy Post Office's closing, noting the convenience of the Stoy Post Office and the importance of the Stoy Post Office to local businesses. These concerns regarding the effect on postal services in Stoy were considered by the Postal Service. The Stoy Post Office has a small workload because of the lack of mail volume and window transactions at the Stoy Post Office. Item No. 33, Proposal, at 2. The Postal Service determines postmaster level and Post Office service hours by analyzing the workload of a Post Office. The Stoy Post Office serves 52 Post Office Box and zero general delivery customers. FD, at 1; Item No. 9, Worksheet for Calculating Workload Service Credit. The Stoy Post Office has an average of eight daily retail window transactions. Item No. 10, Window Transaction Record. Upon the implementation of the final determination, delivery and retail services will be provided by rural route delivery emanating from the Robinson Post Office. The window service hours of the Robinson Post Office are from 9 a.m. to 4:30 p.m., Monday through Friday, and 9 a.m. to 11 a.m. on Saturday, with 205 post office boxes available for rent. FD, at 1.

The Postal Service has considered the impact of closing the Stoy Post Office upon the provision of postal services to Stoy customers. Rural route carriers will provide similar access to retail services, alleviating the need to travel to the Post Office. FD at 1-4; Item No. 23, Postal Customer Questionnaire Analysis, at 1; Item No. 33, Proposal, at 2-6. Additionally, the Postal Service has concluded that nonpostal services provided by the Stoy Post Office can be provided by the Robinson Post Office. FD at 2-6; Item No. 33, Proposal, at 2-5.

The Petitioner's participant statement also expresses concerns regarding the safety and security of the mail with service via rural carrier. As a general matter, the Postal Service considered the effect on the postal services to the community and concluded that the community would not be adversely affected. FD at 2, Item No. 33, Proposal, at 2. More specifically, the Postal Service considered the Petitioner's concerns about mail security. Customers may place a lock on their mailboxes as a security measure. FD at 4, Item No. 33, Proposal, at 6. If there are additional mail security concerns, helpful service will be provided by the staff the Robinson Post Office as well as by the carrier, and special assistance will be provided as needed. FD at 2-3, Item No. 33, Proposal, at 2-3.

Thus, the Postal Service has properly concluded that all Stoy customers will continue to receive regular and effective service via rural route delivery.

Effect Upon the Stoy Community

The Postal Service is obligated to consider the effect of its decision to close the Stoy Post Office upon the Stoy community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Stoy is an unincorporated rural community located in Crawford County. The Crawford County Sheriff provides police protection, with fire protection provided by the Oblong Fire Protection Department. The community is administered politically by the

Stoy Village Board. FD, at 6; Item No. 33, Proposal at 6. The questionnaires completed by Stoy customers indicate that, in general, the retirees, farmers, commuters, and others who reside in Stoy may travel elsewhere for other supplies and services, though there are several businesses located within Stoy. See generally FD at 6; Item No. 22, Returned customer questionnaires and Postal Service response letters; Item No. 33, Proposal at 6-7.

The Petitioner's letter of appeal raises the issue of the effect of the closing of the Story Post Office upon the Stoy community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 6; Item No. 33, Proposal at 6-7. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. FD, at 6; Item No. 33, Proposal, at 6-7. The record makes clear that the Postal Service is addressing this concern through preservation of the community identity by continuing the use of the Post Office name in addresses and in the National Five-Digit ZIP Code and Post Office Directory. FD at 6; Item No. 33, Proposal, at 6-7;

Communities generally require regular and effective postal services and these will continue to be provided to the Stoy community. Carrier service is expected to be able to handle any future growth in the community. FD, at 2, Item No. 33, Proposal, at 2. In addition, the Postal Service has concluded that nonpostal services provided by the Stoy Post Office can be provided by the Robinson Post Office. FD at 2-6; Item No. 33, Proposal, at 2-5.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Stoy Post Office on the community served by the Stoy Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that rural route carrier service would cost the Postal Service substantially less than maintaining the Stoy Post Office and would still provide regular and effective service. FD at 7, Item No. 20, Letter to Customer, at 1, Item No. 33, Proposal, at 8. The estimated annual savings associated with discontinuing the Stoy Post Office are \$18,817.00. FD at 7; Item No. 33, Proposal, at 8.

The Petitioners' letters of appeal suggests that the savings associated with discontinuing the Stoy Post Office have been overstated because the Stoy Post Office has not had a permanent career postmaster for several years. However, this argument ignores the fact that discontinuing the Stoy Post Office would eliminate a permanent career position, thereby allowing the Postal Service to avoid the cost of filling that permanent career position in the future. The Postal Service has determined that rural route service is the most effective solution for providing regular and effective service to the Stoy community. Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 7; Item No. 33, Proposal, at 8.

The Postal Service determined that carrier service is more effective than maintaining the Stoy postal facility and postmaster position. FD, at 7. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster was reassigned on October 29, 1993. An employee from a neighboring office was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the temporary OIC will either be reassigned or separated. The record shows that no other employee would be affected by this closing. FD, at 6-7; Item No. 15, Post Office Survey Sheet, at 1, Item No. 33, Proposal, at 8. Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Stoy Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Stoy Post Office on the provision of postal services and on the Stoy community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Stoy customers. FD, at 1-7, Item No. 33, Proposal, at 2-8. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Stoy Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Stoy Post Office be affirmed.

Respectfully submitted,

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